

### **E. Remarks**

This amendment is in response to the Office Action mailed January 30, 2003. Applicant respectfully requests favorable reconsideration and further examination of this application in view of the foregoing amendments and the following remarks. Claims 1, 19, and 39 have been amended. Claims 1-41 remain pending in the application.

Applicant submits herewith a substitute copy of FIG. 6B to correct a typographical error. Now new matter has been added.

At page 2, paragraph 3 of the Office Action, claims 1, 2, 3, 6-9, 11-21, 25-28, and 31-41 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Kinsner, Tutorials in 1999: Smart Cards. Applicant respectfully traverses the rejection.

Applicant has amended claims 1 and 19 to recite:

a contact module located on the rear portion in communication with the circuit; wherein the contact module and the front portion are located on opposite sides of the smart card.

Applicant has amended claim 39 to recite:

a contact module disposed on a rear portion of the contact smart card, wherein the contact smart card includes a front portion for displaying indicia and wherein the contact module and a front portion of the contact smart card are located on opposite sides of the smart card.

Applicant respectfully submits that the Kinsner reference fails to disclose, teach or suggest, among other things, that the portion of the contact smart card comprising the "indicia" and the portion of the smart card comprising the contact module are located on opposite sides of the smart card. Furthermore, contrary to the Office's contention, Applicant submits that the subject matter recited in claims 1, 19, and 39 is not merely "a matter of design choice" that "affects only the appearance of the card." Rather, locating the indicia and the contact module on opposite sides of the smart card makes the entire front portion of the smart card available for receiving personalization indicia, graphics, alphanumeric, and any other personalization material

thereon without being interfered by the contact module. (*See Specification* at p.16, ll. 11-16, for example). Furthermore, placing the indicia and the contact module on opposite sides of the smart card is advantageous because it provides an uninterrupted surface area for displaying indicia on the smart card. Contrary to the Office's assertion, Applicant submits that the cited reference does not disclose or provide any motivation for one skilled in the art to place the indicia and the contact module on opposite sides of the smart card to make it more visually appealing, to provide more surface area for the indicia or to provide an uninterrupted surface area for displaying indicia on the smart card. (*See MPEP § 2143.01* for the proposition that without motivation to make an alleged combination, a rejection based on obviousness is improper.)

Applicant respectfully submits that the Office fails to establish a *prima facie* case of obviousness because the Kinsner reference fails to disclose, teach, or suggest each and every element recited in the claims. Applicant further submits that it is not merely a matter of design choice to place the indicia portion and the contact module portion of the contact smart card on opposite sides of the smart card contrary to the Office's assertion, there is no suggestion or motivation in the Kinsner reference to combine a conventional IC contact smart card with a conventional credit/debit card having a magnetic stripe on the rear face to arrive at the invention recited in claims 1, 19, and 39 wherein the indicia portion and the contact module portions of the smart card are placed on opposite sides of the smart card.

Applicant respectfully submits that a *prima facie* case of obviousness under 35 U.S.C. §103(a) requires, among other things, that the cited references, when combined, teach or suggest every element of the claim and, additionally, there must be some motivation to make the alleged combination. *See MPEP §2142*. The Kinsner reference merely discloses a conventional contact smart card having a contact module arranged to be on the upper side of the contact smart card, which is the same side on which the indicia are placed, but does not disclose, teach, or suggest a smart card with the indicia and contact module placed on opposite sides of the smart card as recited in the invention of claims 1, 19, and 39. As discussed above, providing a contact module on a rear portion of the smart card that is opposite a front portion comprising the indicia is a non-

obvious improvement to existing contact type smart cards and claims 1, 19, and 39 are patentable at least for the reasons discussed above.

Accordingly, Applicant respectfully submits that locating the indicia and the contact module on opposite sides of the smart card is not obvious because it is not disclosed, taught or suggested in any of the references cited in the Office Action, it is not merely a matter of routine design choice as contended by the Office because of the various advantages provided by the invention, and there is no motivation to make the alleged combination in the cited reference. For at least the reasons discussed above, therefore, Applicant submits that claims 1, 19, and 39 are patentable over the cited reference.

Furthermore, Applicant respectfully submits that in arriving at the obviousness rejection of claims 1, 19, and 39 the Office relies on impermissible hindsight. Applicant respectfully submits that to reach a proper determination of obviousness under 35 U.S.C. §103, the Office must step backward in time to a point just before the claimed invention was made. In view of all factual information, the Examiner must then make a determination whether the claimed invention "as a whole" would have been obvious at that time to a person of ordinary skill in the art. Although the tendency not to resort to "hindsight" based upon applicant's disclosure is often difficult, impermissible hindsight must be avoided. The Examiner must put aside the knowledge gleaned from the applicant's disclosure in reaching a determination of obviousness and this legal conclusion must be reached on the basis of the facts gleaned from the prior art and not from the applicant's disclosure. *See MPEP §2142*. As discussed above, Applicant submits that there is nothing in the prior art of record that discloses, teaches, or suggests a smart card having a front portion for displaying indicia and a contact module located on opposite sides of the smart card. Furthermore, as discussed above, the claimed features are not merely a matter of routine design choice because they provide significant non-trivial advantages over the conventional contact type smart cards such as aesthetics, visual appeal, availability of additional surface area for receiving indicia, ease of printing, more uniformly distributed indicia un-interfered by the contact module, more conducive to mass production, more economical and efficient process for applying indicia

to the front portions of many varieties of smart cards (e.g., contact, contactless smart cards, combination smart cards, optical smart cards, and/or hybrid smart cards) during the manufacturing process.

Applicant submits that such teachings or suggestions must be found in the cited references and cannot be based on an applicant's disclosure alone. *See MPEP §§2143-2143.03*. Without the disclosure of applicant's invention as recited in claims 1, 19, and 39, Applicant further submits that one of ordinary skill in the art, at the time the invention was made, would not have considered locating the indicia and the contact module on opposite sides of the smart card to provide the entire surface area of the front portion of the smart card body for personalization indicia, graphics, alphanumeric, and other personalization material that the smart card provider or user chooses without being interfered by the contact module. Furthermore, placing the indicia and the contact module on opposite sides of the smart card body improves the indicia application process by providing a front portion of the card free of the contact module. This also makes it more economical to print front portions of smart cards for a variety of contactless and contact type smart cards.

Therefore Applicant respectfully submits that claims 1, 19, and 39 are patentable over the Kinsner reference and the features claimed therein are not merely design choices at least for the reasons described above. Claims 2, 3, 6-9, and 11-18 are patentable over the Kinsner reference at least because of their dependency from claim 1. Claims 20, 21, 25-28, and 31-18 are patentable over the Kinsner reference at least because of their dependency from claim 19. Claims 40 and 41 are patentable over the Kinsner reference at least because of their dependency from claim 39. *See MPEP §2143.03* (stating that if an independent claim is non-obvious under §103(a), then any claim depending therefrom is non-obvious). Therefore, applicant respectfully requests withdrawal of the rejection with respect to these dependent claims.

At page 4, paragraph 4 of the Office Action, claims 4, 5, 22, 23, and 24 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Kinsner as applied to claim 1 and further in view of Saitoh (U.S. Patent No. 5,929,414). Applicant respectfully traverses the rejection.

Claims 4 and 5, and 22-24 depend from claims 1 and 19, respectively, either directly or indirectly and include additional features, which further distinguish claims 4 and 5, and 22-24 from the cited references taken alone or in combination. Accordingly, for at least the reasons discussed above, applicant respectfully submits that claims 4 and 5, and 22-24 are patentable over the cited references taken alone or combination and the obviousness rejection with respect thereto should be withdrawn. *See* MPEP §2143.03 (stating that if an independent claim is non-obvious under §103(a), then any claim depending therefrom is non-obvious). Accordingly, applicant respectfully requests that the examiner withdraw the obviousness rejection with respect to claims 4 and 5, and 22-24.

At page 4, paragraph 5 of the Office Action, claims 10, 29, and 30 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Kinsner as applied to claim 1 and further in view of Jachimowicz (U.S. Patent No. 5,789,733). Applicant respectfully traverses the rejection.

Applicant respectfully submits that the combination of the Kinsner and the Jachimowicz references fails to disclose each and every element of claims 1 and 19. For example, the combination of the Kinsner and the Jachimowicz references fails to disclose:

a contact module located on the rear portion in communication with the circuit; wherein the contact module and the front portion are located on opposite sides of the smart card.

As discussed above, a *prima facie* case of obviousness under 35 U.S.C. §103(a) requires, among other things, that the cited references, when combined, teach or suggest every element of the claim. *See* MPEP §2142. Also as discussed above, providing indicia on a portion of a smart card that is opposite a portion comprising a contact module is a non-obvious and non-trivial improvement to existing contact and contactless smart cards. Therefore, claims 1 and 19 are patentable for at least for the reasons discussed above.

Furthermore, as discussed above, applicant submits that even if the combination of the cited references teach or suggest every element of the claimed invention, without motivation to combine the cited references, a rejection based on obviousness is improper. *See* MPEP §2142.

Possible sources for a motivation to combine references include: (1) the nature of the problem to be solved, (2) the teachings of the prior art, and (3) the knowledge of persons of ordinary skill in the art. Furthermore, the level of skill in the art, alone, cannot be solely relied upon to provide the suggestion to combine references. *See MPEP §2143.01*. There is no motivation to combine the teachings of the Kinsner and the Jachimowicz references. Neither reference discloses, teaches, or suggests placing the indicia on a portion of the smart card that is opposite of the portion containing the contact module. Neither reference contemplates the benefits of providing additional area for displaying indicia on the front of the smart card, making it more economically attractive to print a variety of front portions of smart cards to be laminated on a variety of contact, contactless smart cards, combination smart cards, optical smart cards, and/or hybrid smart cards during the manufacturing process. The claimed invention also provides an overall improvement in the manufacturability of smart cards and provides the ability of interchanging the same front portion of the smart card over a variety of smart cards.

Claims 10, 29, and 30 depend from claims 1 and 19, respectively, either directly or indirectly and include additional features, which further distinguish claims 10, 29, and 30 from the cited references taken alone or in combination. Accordingly, for at least the reasons discussed above, applicant respectfully submits that claims 10, 29, and 30 are patentable over the cited references taken alone or combination and the obviousness rejection with respect thereto should be withdrawn. Accordingly, applicant respectfully requests that the examiner withdraw the obviousness rejection with respect to claims 10, 29, and 30. *See MPEP §2143.03* (stating that if an independent claim is non-obvious under §103(a), then any claim depending therefrom is non-obvious).

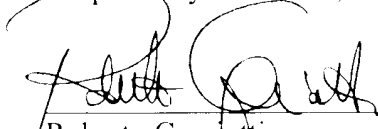
Applicant is not otherwise conceding, however, the correctness of the examiner's rejection with respect to any of the dependent claims discussed above and wishes to reserve the right to make additional arguments as may be necessary because additional features of the dependent claims further distinguish the claims from the cited references, taken alone or in

combination. A detailed discussion of these differences is believed to be unnecessary at this time in view of the basic differences in the independent claims pointed out above.

**F. Conclusion**

As all of the issues raised by the examiner have been addressed, the applicant respectfully requests favorable reconsideration of this application and the issuance of a notice of allowance with respect to the pending claims. If the examiner believes that the present application is in condition for disposition other than allowance, applicant respectfully requests that the examiner contact the undersigned at the telephone number listed below so that the examiner's concerns may be expeditiously addressed.

Respectfully submitted,



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